been utilized for supporting operational expenditure for the existing Village Public Telephones (VPTs). Some payments have also been made in respect of the VPTs which have replaced the Multi Access Radio Relay VPTs.

Overdraft norms for states

2706. SHRI ARJUN SINGH:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Reserve Bank of India has revised overdraft norms for States;

(b) if so, what are the details of the norms revised;

(c) to what extent it will be beneficial to the States;

(d) to what extent it will check the overdrafts by the State Governments;

(e) how many States have in the past been in the list of overdrafts; and

(f) what were the main reasons for this?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) As per the revised formula, the total normal Ways and Means Advance (WMA) limits has been enhanced to Rs. 7170 crores from Rs. 6035 crores from March 3, 2003. The number of days of overdraft has also been extended to 14 consecutive working days from 12 consecutive working days. No State Government will be allowed to be in overdraft for more than 36 working days in a quarter. The rates of interest on overdraft have been revised.

(c) The Revised Overdraft Regulation Scheme will enhance the liquidity available to State Government.

(d) While providing additional liquidity, the restriction of 36 working days in a quarter, will ensure that States manage their finances in a more disciplined manner.

(e) Transactions between a State and the RBI is conducted as per an agreement between the two. Since disclosure of information on Overdrafts by the States, impinges upon the relationship between the banker and the clients (between the RBI and the State Governments), such information is not published/made public by the Government of India.

(f) The overdraft facility extended by RBI are availed by States to overcome the temporary cash imbalances due to mismatch between receipts and expenditure of the State Governments.

Private insurance operators

2707. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the number of private Insurance Companies including Foreign Multinational Companies which are permitted to operate in India;

(b) the number and names of such companies which are operating in rural sectors;

(c) the number of persons below poverty line, if any, who have been insured by such companies together with the terms and conditions of the insurance; and

(d) the distribution of such insured persons State-wise and year-wise during the last five years?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Insurance Regulatory and Development Authority has informed that they have issued Certificate of Registration to 12 life insurance and 8 non-life insurance companies in private sector.

(b) to (d) All the insurance companies have to underwrite a specified quantum of insurance business for rural and social sectors under the IRDA (Obligations of Insurers to rural or social sectors)